September 2025

Energy overview

Your monthly report featuring market updates and weather review

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Monthly Report – September 2025

Market Update: Power

Review

As exhibited on the gas curve, September was a similarly low volatility month for power, with most curve products down month on month.

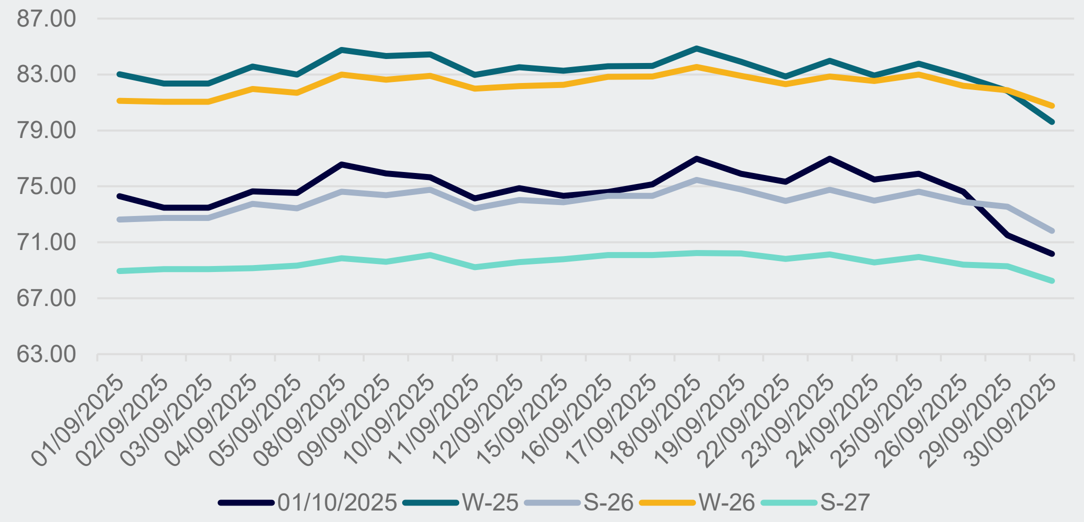
Prompt clean spark spreads were more volatile, reflecting spells during the month where high wind output pushed spark levels into negative territory, as low as -£65 over the weekend of 6/7 September and a weekday low on 15th of -£72. Where wind levels dropped, sparks lifted briefly to positive levels, with a high of £9/MWh reached on 29th.

Outlook

Early October looks set to see a spell of very wet and windy weather (see Weather Review and Outlook) that will likely suppress spark levels further.

*Clean spark spread: the margin for gas-fired power plants accounting for the difference between power price, the cost generation and the necessary emissions allowances required to produce it.

Baseload Power



Power Bld (£/MWh)	1-Sep-25	30-Sep-25	Change	% Change
Oct-25	74.30	70.17	-4.13	-6%
Winter 25	83.02	79.61	-3.41	-4%
Summer 26	72.62	71.82	-0.80	-1%
Winter 26	81.11	80.76	-0.35	0%
Summer 27	68.95	68.24	-0.71	-1%

High	Low	Average
76.98	70.17	74.75
84.86	79.61	83.25
75.46	71.82	73.90
83.54	80.76	82.25
70.23	68.24	69.58

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Market Update: Gas

Review

Prompt and curve periods traded lower month on month, though the market was fairly rangebound overall, as prices bobbed on geopolitical tensions and bullish fundamentals.

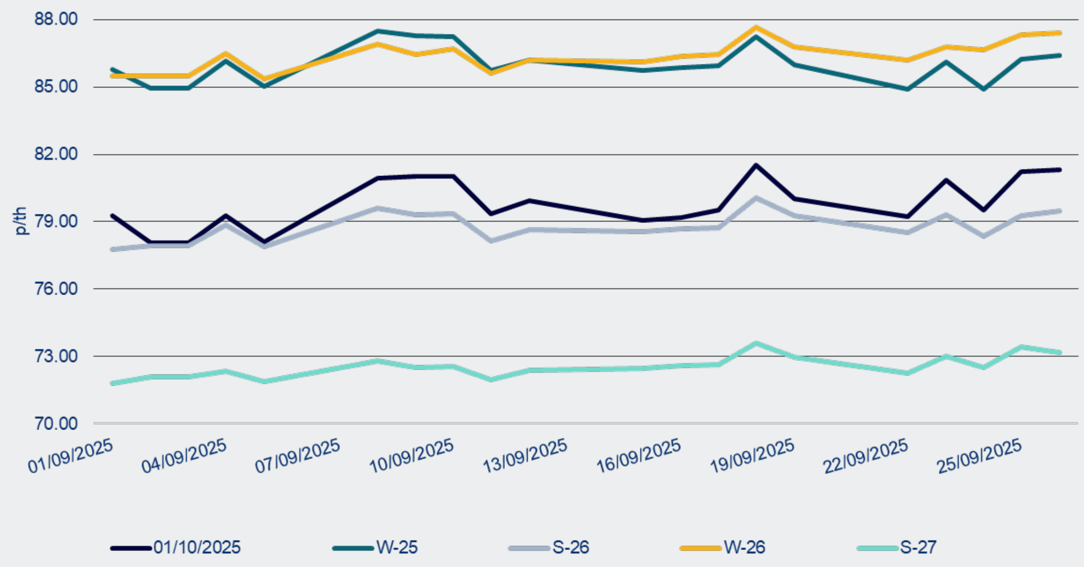
Norwegian late summer maintenance reduced flows for most of the month. Continuing high temperatures in Asia, below average storage inventories in EU and Asia, and the ongoing threat of increased sanctions on Russia, also remained bullish factors.

Towards the end of the month, Norwegian flows returned as the maintenance period ended. However, this didn't translate into higher storage injection rates. (See EU Gas Storage Watch.)

Outlook

Focus now turns to the start of winter. Fundamentals are tighter than the past two winters, with a potential lower supply, higher demand scenario anticipated.

NBP Gas



Gas NBP (p/th)	1-Sep-25	30-Sep-25	Change	% Change
Oct-25	79.27	76.63	-2.64	-3%
Winter 25	85.78	82.30	-3.48	-4%
Summer 26	77.78	76.70	-1.08	-1%
Winter 26	85.48	84.90	-0.58	-1%
Summer 27	71.78	71.55	-0.23	0%

High	Low	Average
81.51	76.63	79.67
87.50	82.30	85.81
80.06	76.70	78.68
87.66	84.90	86.34
73.61	71.55	72.51

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Market Update: Oil

Review

A generally bearish picture for oil during September, as the market wasn't overly burdened with geopolitical headlines. Despite brief spikes following IDF attacks on Hamas bases in Qatar, and Russian drone and warplane incursions into Polish and Estonian territory respectively, the market remained rangebound.

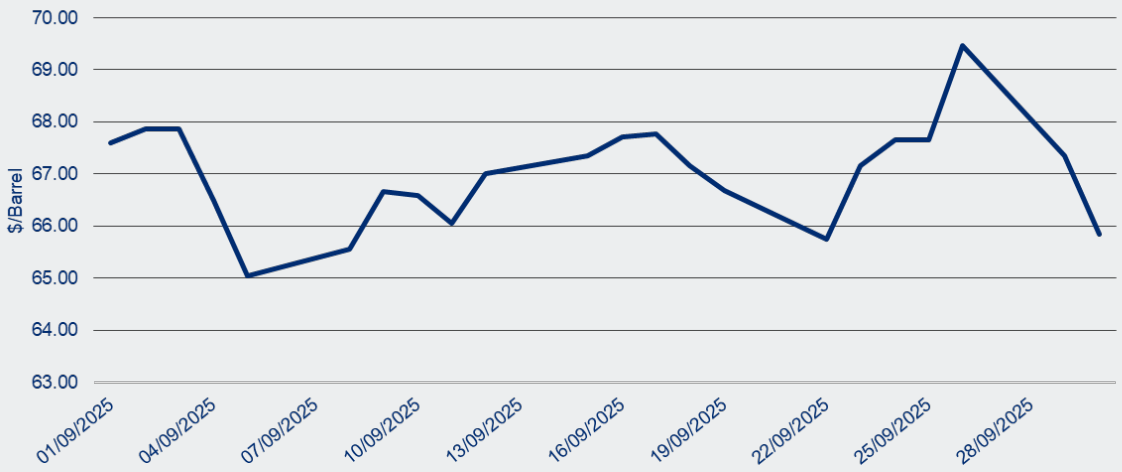
Updated forecasts by the US Energy Information Administration (EIA) added to a bearish picture, with a forecast global inventory build exceeding two million b/d from October through to March next year. It also predicts that prices could fall to around $51/bbl as output could exceed consumption by an average of over three million b/d.

As the month ended, rhetoric rose on all sides, driven by NATO/Russia tensions. Both sides traded threats and counter threats regarding potential responses to future incursions into member state airspace.

Outlook

Geopolitical tensions seem set to continue to drive markets.

Front Month Brent



Brent ($/Barrel)	1-Sep-25	30-Sep-25	Change	% Change
Front Month	67.60	65.84	-1.75	-3%

High	Low	Average
69.48	65.03	67.01

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Market Update: Carbon

Review

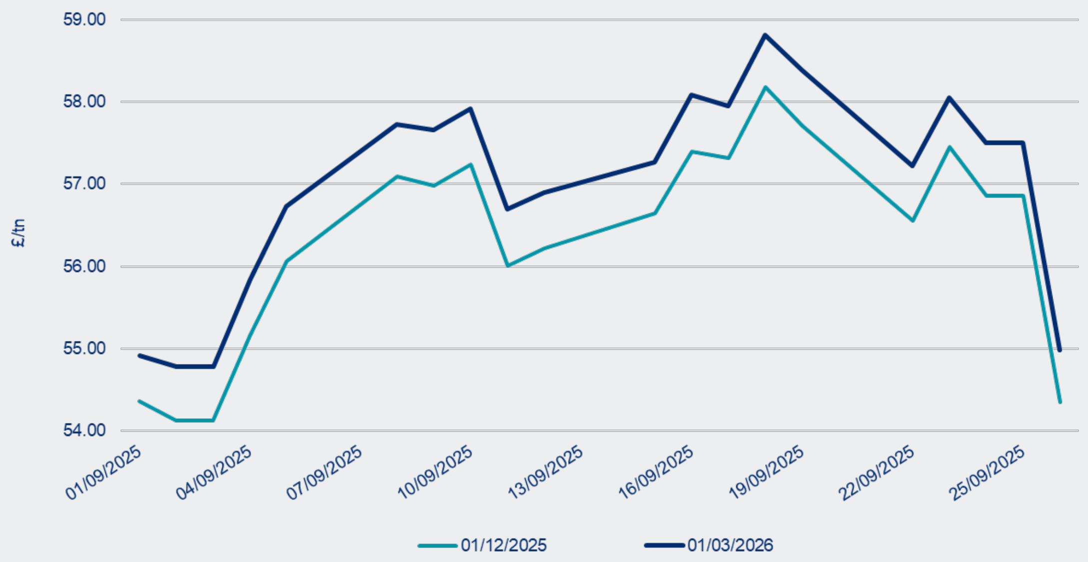
Carbon markets began the month with a sharp lift in both UKAs and EUAs. UKAs reached a three-month high of £56/tn and EUAs hit €74/tn, driven by compliance purchasing of allowances ahead of the 30 September deadline.

By mid-month, UKA prices reached £59/tn, their highest level since October 2023.

Outlook

With politicians now back following the summer recess, focus now returns to the lead-up towards formal discussions concerning the linkage of EU and UK carbon markets. Formal negotiations are expected to begin during the next three months.

Carbon UKA



Carbon (£/ton)	1-Sep-25	30-Sep-25	Change	% Change
Dec-25	54.36	54.23	-0.12	0%
Mar-26	54.92	54.85	-0.06	0%

High	Low	Average
58.18	54.12	56.17
58.82	54.77	56.82

Weather Review and Outlook

September Review

Overall, September was an unsettled month, with above average winds and rainfall and below average temperatures for the UK.

Winds were consistently above average throughout the month, with only a brief ~4-day spell of low winds right at the end. Temperatures were more variable, with a few warm spells mixed in as weather fronts arrived from the Atlantic.

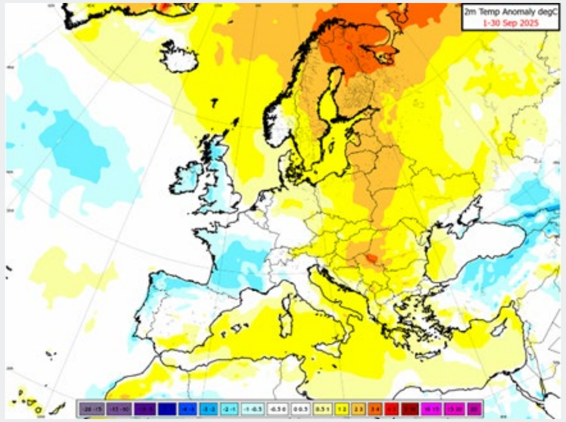
Hurricane Gabrielle also brought in a few days around 20th with extreme rainfall and very warm temperatures.

October Outlook

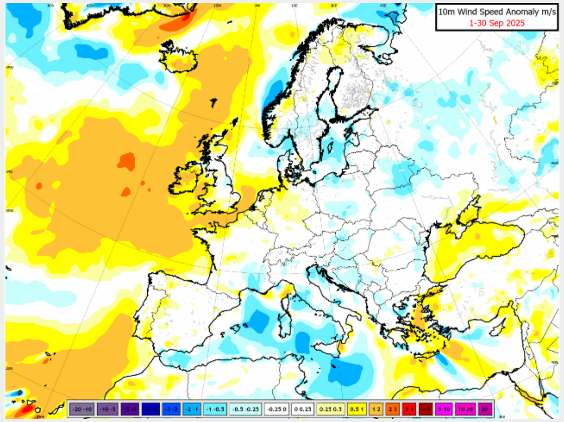
October is starting off with a powerful Atlantic cyclone, Storm Amy, which contains the remnants of Hurricane Humberto. Early October is expected to be windy, very wet, and slightly cool.

Mid-month looks more settled for a time. Later in October and into early November, there's a decent signal for low pressure to regain control, trending wetter and windier. Due to mid-month high pressure, October likely won't be as windy as September, but we could see another storm or two later on.

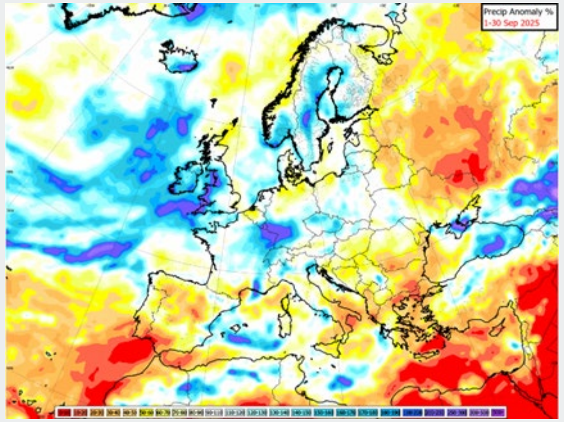
Confidence in the outlook is medium, with a changeable but overall slightly windy, cool, and wet month in store.



Temperature anomaly



Wind Speed anomaly



Precipitation anomaly

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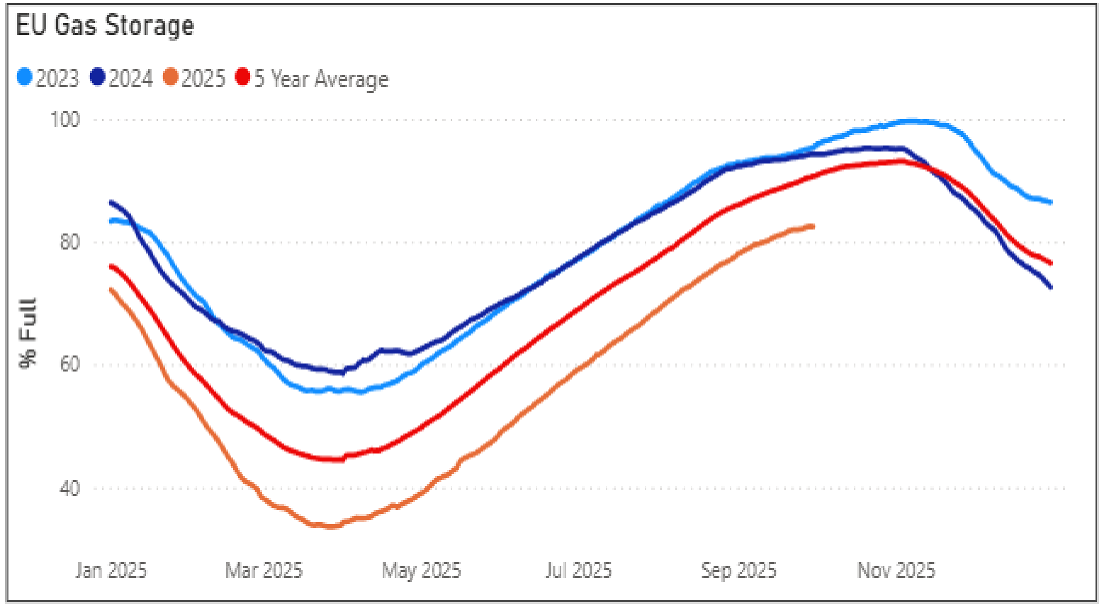
EU Gas Storage Watch

Injection rates into storage ahead of winter are slowing, as EU gas in store remains below the five-year average.

A combination of late summer Norwegian field maintenance and many EU member states nearing storage capacity were attributed as the main causes of the slow-down.

By the end of September, EU storage sat at 82.5% full, compared to 94% on the corresponding date last year. This is still on target to exceed the 80% target before the end of September. Inventories remain well below the five-year average, at 89%.



30 September – EU gas storage at 82.50%

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